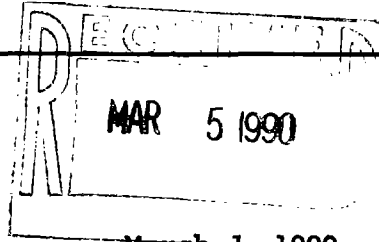


# D. P. ENGINEERING, INC.

7125 W. JEFFERSON AVE., SUITE 300  
LAKEWOOD, CO 80235

TEL: 303-980-0679  
FAX: 303-985-0439



March 1, 1990  
Project No. 00701

South Carolina Land Resources  
Conservation Commission  
2221 Devine Street, Suite 222  
Columbia, South Carolina 29205

Attention: Mr. Craig Kennedy, Assistant Director  
Mining and Reclamation Division

RE: BARITE HILL PROJECT - ACID LEACHATE TREATABILITY STUDY AND  
SEDIMENT CONTROL

Dear Craig,

As requested, a mass balance has been conducted on acid leachate from the waste rock versus the neutralizing capability of the limestone and the expected "life" of the limestone. The mass balance is based on the results of the acid production potential tests as summarized in the D. P. Engineering, Inc. (DPEI) letter dated October 30, 1989 and the humidity cell tests summarized in the DPEI letter dated January 19, 1990, and the specification of the limestone have a  $\text{CaCO}_3$  equivalent of 90 percent.

## WASTE AREA A

100 percent Rainsford Pit Waste Rock  
Acid Producing Rock = 832 Tons (use 900 tons) *Oct. 30*  
Acidity of Leachate = 16 mg/l = 43.5 lb/ac-ft  
Infiltration at 50 percent precipitation = 30 ac-ft/yr *43.5 x 30 = 1305*  
Annual Rate = 1,205 lb/yr *1305*  
Total Life = 900 tons/1,305 lb/yr = 1,380 yrs *(900) 2000 / 1305 = 1380*  
Available Limestone per Design = 2,000 tons minimum  
Reactive Limestone at 90 percent = 1,800 tons

## WASTE AREA B

100 percent Main Pit Waste Rock  
Acid Producing Rock = 443 tons (use 500 tons)  
Acidity of Leachate = 16 mg/l = 43.5 lb/ac-ft  
Infiltration at 50 percent precipitation = 50 ac-ft/yr  
Annual Rate = 2,175 lb/yr  
Total Life = 500 tons/2,175 lb/yr = 460 yrs  
Available Limestone per Design = 1,500 tons minimum  
Reactive Limestone at 90 percent = 1,350 tons

Mr. Craig Kennedy  
SCLRCC  
March 1, 1990  
Page Two

Based on a one-to-one ratio of acid generation and neutralization, adequate limestone is available to react with the acid leachate. Also, these calculations assume that the acid producing rock is evenly dispersed throughout the waste dump and that the infiltration is uniform over the surface of the dump.

Gwalia understands that all runoff from disturbed areas has to be either contained or routed through one of the NPDES discharge points. We are aware of your particular concerns on this around the plant area and ore stockpile area at the crusher. The plant area is to be graded to drain into the solution ponds. Runoff from the ore stockpile area will be diverted through Waste Area A. The ditch alignment will be field located based on area grading during construction. These items will be shown in the as-built plans prior to receiving notice to proceed with mining.

I hope the above information is sufficient to complete your review of the Barite Hill Mine application for operation. If you should have any questions or require additional information, please call me.

Sincerely,

D. P. ENGINEERING, INC.

A handwritten signature in dark ink, appearing to read "Don A. Poulter", with a stylized flourish at the end.

Don A. Poulter, P.E.  
Project Principal

DAP/rkj

# D. P. ENGINEERING, INC.

7125 W. JEFFERSON AVE., SUITE 300  
LAKEWOOD, CO 80235

RECEIVED

JAN 23 1990

Ans'd.....

TEL: 303-980-0679

FAX: 303-985-0439

January 19, 1990

Project No. 00701

South Carolina Land Resources Conservation Commission  
2221 Devine Street, Suite 222  
Columbia, South Carolina 29205

Attention: Mr. Craig Kennedy, Assistant Director  
Mining and Reclamation Division

RE: WASTE ROCK ACID GENERATION POTENTIAL - HUMIDITY CELL TEST RESULTS

Dear Craig,

The humidity cell tests have been completed on the selected samples of waste rock. The purpose of the humidity cell tests were to evaluate the potential for the generation of acid leachate from the waste rock. In addition, selected effluent samples were analyzed for heavy metals with respect to NPDES effluent discharge limitations. The results are discussed in the following paragraphs. The test results are presented in Attachment 1.

At the start of the test work, it was believed that the samples were representative of the waste rock within the mine plan. It was later realized that seven of the samples used in the tests were from areas outside the planned pit limits. Therefore, the presence of pyrite in the waste rock may have been over estimated in the original acid production potential tests. This was addressed in a letter to you dated October 30, 1989. A copy of the letter is attached for reference.

Humidity cell tests were run on three composite samples. The composite samples are listed on Table 1. The test results show that the waste rock from the main pit will probably not produce acid leachate in the long-term, however, the possibility for local "hot spots" does exist. The waste rock from the Rainsford pit may be an acid producing material as the pH was still decreasing at the close of the tests.

Effluent from the humidity cell tests was analyzed for heavy metals with respect to compliance with the NPDES discharge limitations. The effluent from Week 8 of the tests was selected as the representative effluent sample.

The pH values reported in Week 6 appear to be "worst case" however, it was found to be a laboratory error in preparing the leachate. The deionized water had a depressed pH prior to input into the humidity cell. The pH in Sample No. 2, Week 4, was also a laboratory error in recording the data.

The analytical results show the effluent to meet all NPDES discharge limitations except for copper. The copper values were 0.06 to 0.07 mg/l. The discharge limitation are set at <0.01 mg/l. Barium was analyzed for each sample each week and found to be less than the discharge standards. The effluent from Sample Nos. 1 and 2, Week 10, is being checked for copper values.

Mr. Craig Kennedy  
SCLRCC  
January 19, 1990  
Page Two

Tests are currently underway to check for pH control via the effluent passing through a limestone gravel drain prior to discharge. The effluent will also be checked to see what influence the pH adjustment may have on the dissolved copper in the effluent.

Means to mitigate the potential for acid leachate were discussed in the previous letters. In summary, rock with a high potential for acid generation (such as the felsic tuff in the Rainsford Pit) will be isolated within the dump areas to reduce exposure to acid generating conditions. In the event a suppressed pH is measured in the effluent, lime will be placed in the drainage ditches and infiltrations basin at the dump toe to adjust the pH to an acceptable level. Samples of the effluent will be collected to evaluate its characteristics and determine the level of treatment required to meet the NPDES standards during operation and following closure.

Based on the information to date coupled with the proposed inclusion of limestone in the toe of the dumps, we do not believe acid generation from the waste rock will have an impact on the environment. Therefore, revisions to the current waste dump plans are not believed necessary at this time in order to comply with the NPDES Permit limitations.

We hope this information is useful in allowing Gwalia (U.S.A.) Ltd. to proceed with the Barite Hill Project. Should the test results from the limestone treatment studies show cause to revise the waste dump plans, the proposed revision will be included with the data summary.

If you should have any further questions or require additional information, please call.

Sincerely,

D. P. ENGINEERING, INC.



Don A. Poulter, P.E.  
Project Principal

DAP/rkj

Attachments

TABLE 1  
COMPOSITE SAMPLE SUMMARY

<u>COMPOSITE NUMBER</u>	<u>LAB NO.</u>	<u>BOREHOLE AND LOCATION*</u>	<u>LITHOLOGY</u>	<u>PERCENT WASTE ROCK</u>
1	2	D27: 125-140-MP (O)	Medisediment	20%
1	14	D33: 105-120-MP (I)	Sulfide	<1%
2	17	D44: 40-60 RP (I)	Medisediments	50%
2	20	D42: 40-50 RP (I)	Felsic Tuff	35%
3	4	D8: 40-50 MP (I)	Felsic Tuff	48%
3	6	D40: 20-40 MP (I)	Felsic Tuff	48%
3	10	D24: 30-45 MP (I)	Mafic Dike	16%

\* MP - Main Pit; RP - Rainsfor Pit  
I - within pit plan; O - outside pit plan

**ATTACHMENT 1**

RECEIVED  
JAN 23 1990

Ans'd.....

**A N A L Y T I C A L      R E P O R T**

**891320**

**FOR**

**GWALIA (USA) LTD.**

**P.O. BOX 1510  
McCORMICK, SC 29835**

**01/17/90**

## HUMIDITY CELL TESTING

### INTRODUCTION

Analytical tests used to predict the formation of acid mine drainage fall into two categories. Static tests measure the amount of acid-producing material and acid-consuming material present in the sample. Kinetic testing attempts to simulate the acid-producing and acid-consuming processes which occur in the natural environment. Humidity cell testing is a kinetic test. Results obtained from static tests are relatively simple to interpret but may not be representative of the naturally occurring chemical reactions. Kinetic tests, including humidity cell testing, are a more realistic model of the reactions occurring in the natural environment but analytical results are often more difficult to interpret.

### SAMPLE PREPARATION

Samples are air-dried at room temperature for 24 hours or until a stable weight is obtained. Air-dried samples are then crushed to minus 10 mesh (2 mm) using a disk pulverizer and thoroughly blended. Air-dried, crushed samples are stored in plastic bags until analysis.

### TEST APPARATUS

Humidity test cells are plastic containers with tight-fitting lids. Each cell is 2.75 inches high and 7 inches square. An air inlet feeds into the center of the top lid and a drain fitting is located in the bottom corner of each cell (see Figure 1). A series of twelve individual humidity cells is connected to a regulated source of compressed air using equal lengths of 0.5 inch diameter Tygon tubing. Humidified air is generated using a 6.5 gallon glass carboy which is half-filled with deionized water. This carboy is equipped with Tygon tubing connected to two dispersion air-stones. Compressed air can be fed directly to the humidity cells (dry air cycle) or pumped through the carboy first and then routed to the humidity cells (humidified air cycle). Humidity cells are placed on wire racks during testing. Sample leachates are collected using glass beakers located beneath the drain fitting of each cell (see Figure 1).



### TEST PROCEDURE

Humidity cell tests can be run on groups of up to twelve samples. A representative 200.0 gram portion of the air-dried, minus 10 mesh sample is placed in each cell. Cells are then sealed and air-line hoses are securely fastened. Testing consists of a seven day cycle which is repeated for a total of eight to ten weeks, depending on client needs. Each weekly cycle starts by feeding dry air to the humidity cell for three days. Humidified air is then fed to each cell on days four through six. On day seven, 200 mls of deionized water is added to each cell and allowed to soak for one hour. After one hour, the sample leachate is drained into the collection beaker. Sample leachates are 0.45um filtered and analyzed for pH, conductivity, sulfate, iron and acidity. Additional parameters can be analyzed, if requested, although sample leachate volume is a limiting factor.

### OPERATING SPECIFICATIONS

An air flow rate of five to eight liters per minute is maintained through each cell during both dry and humidified air cycles. Hose clamps are utilized to aid in equalizing flow rates. Approximately 110 to 150 mls of vaporized water pass through each cell during the three day humidified air cycle. Ambient temperatures range from 60 to 80 degrees fahrenheit during testing. Sample material is left undisturbed for the duration of testing.

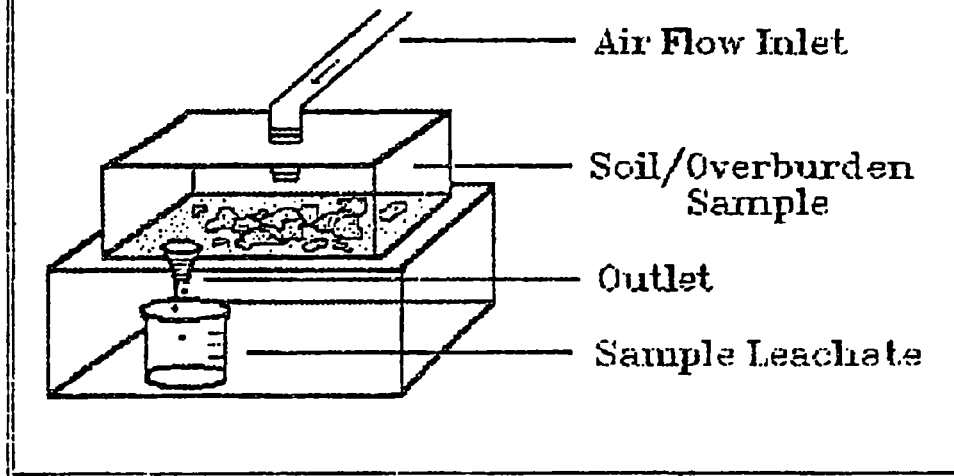
### ANALYTICAL RESULTS

Analytical results for weekly sample leachates generated from each humidity cell are reported using a standard format. In addition, graphs of appropriate analytical results versus time (normally pH, cumulative sulfate and cumulative acidity) are also reported.

### DISCUSSION

Kinetic testing used to predict acid mine drainage is a relatively new concept. Humidity cell testing is designed to measure the rate of oxidation and weathering of various soils, rock and overburden samples. The normal operating specifications described above can be modified to best match a particular environment. Analytical results can also be reported in a format which better meets the needs of the project or client.

**Figure 1: Humidity Cell**



## **BIBLIOGRAPHY**

Sobek, Andrew A., Shuller, W.A., Freeman, J.R. and Smith, R.M., Field and Laboratory Measurements Applicable to Overburden and Minesoil, EPA-600/2-78-054, March 1978, pp. 182-185.

Ferguson, K.D., Static and Kinetic Methods to Predict Acid Mine Drainage, Department of the Environment, Environmental Protection Service, Pacific Region, July 1985.

Skousen, J.G., Sencindiver, J.C. and Smith, R.M., A Review of Procedures for Surface Mining and Reclamation in Areas With Acid Producing Materials, Division of Plant and Soil Sciences, College of Agriculture and Forestry, West Virginia University, Morgantown, West Virginia, April 1987, pp. 3-8.

Williams, R.D. and Schuman, G.E., Reclaiming Mine Soils and Overburden in the Western United States, Analytical Parameters and Procedures, Soil Conservation Society of America, 1987, pp. 233-258.



# CORE LABORATORIES

## SUMMARY OF DATA GENERATED FROM HUMIDITY CELL TESTING

GWALIA (USA) LTD.

January 17, 1990

*Adam Smith*  
*1-604-984-2524*

*100% at 100% in*

CLIENT SAMPLE I.D.: BARITE HILL/SOIL COMPOSITES(BHD 27,125-140' & BHD 33,105-120')

LAB SAMPLE I.D.: 891320-1 (Composite Of 891224-2 & 891224-14)

PARAMETER	UNITS	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	WEEK 6	WEEK 7	WEEK 8	WEEK 9	WEEK 10
Leachate Quantity	mls	138	130	129	128	131	129	160	134	140	142
pH	pH Units	5.30	5.27	5.31	5.10	5.06	4.84	5.19	5.17	5.27	5.68
Conductivity	umohs/cm	56	84	117	68	64	60	36	37	38	43
Sulfate	mg/L	18	24	29	22	22	15	18	15	15	14
Cumulative Sulfate	Total mg	2	6	9	12	15	17	20	22	24	26
Acidity	mg/L CaCO <sub>3</sub>	14	<10	10	10	10	<10	<10	<10	16	<10
Cumulative Acidity	Tot. mg CaCO <sub>3</sub>	2	2	3	5	6	6	6	6	8	8
Iron (Diss.)	mg/L	2.41	0.04	<0.03	<0.03	<0.03	<0.03	<0.03	<0.03	<0.03	<0.03
Cumulative Iron	Total ug	333	338	338	338	338	338	338	338	338	338
Barium	mg/L	0.15	0.14	0.12	0.12	0.11	0.14	0.17	0.12	0.15	0.13
Cumulative Barium	Total ug	21	39	54	70	84	102	129	145	166	185
Nickel	mg/L	<0.04	<0.04	<0.04	<0.04	<0.04					

CLIENT SAMPLE I.D.: BARITE HILL/SOIL COMPOSITES(BHD 44,40-60' & BHD 42,40-50')

LAB SAMPLE I.D.: 891320-2 (Composite Of 891224-17 & 891224-20)

PARAMETER	UNITS	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	WEEK 6	WEEK 7	WEEK 8	WEEK 9	WEEK 10
Leachate Quantity	mls	137	145	114	155	151	132	136	145	144	142
pH	pH Units	5.37	5.31	5.18	6.44	5.25	4.93	5.15	5.08	4.69	4.29
Conductivity	umohs/cm	45	94	63	12	37	39	36	28	27	26
Sulfate	mg/L	16	33	16	10	11	10	11	11	<10	<10
Cumulative Sulfate	Total mg	2	7	9	10	12	13	15	16	16	16
Acidity	mg/L CaCO <sub>3</sub>	12	14	12	<10	<10	<10	<10	<10	15	<10
Cumulative Acidity	Tot. mg CaCO <sub>3</sub>	2	4	5	5	5	5	5	5	7	7
Iron (Diss.)	mg/L	2.84	0.04	<0.03	<0.03	<0.03	<0.03	<0.03	<0.03	<0.03	<0.03
Cumulative Iron	Total ug	389	395	395	395	395	395	395	395	395	395
Barium	mg/L	0.10	0.07	0.07	<0.01	0.08	0.08	0.07	0.06	0.10	0.10
Cumulative Barium	Total ug	14	24	32	32	44	54	64	73	87	101
Nickel	mg/L	<0.04	0.05	0.04	<0.04	<0.04					

The data and interpretations contained in this report are based upon observation and material supplied by the client for which a release and/or endorsement has been made. The interpretation of operations expressed herein is the property of Core Laboratories. Core Laboratories assumes no responsibility and makes no warranty or representation as to the productivity, proper operation or profitability of the project or any of its operations, and in connection with which this report is used or based upon for any reason whatsoever.



## CORE LABORATORIES

### SUMMARY OF DATA GENERATED FROM HUMIDITY CELL TESTING

GWALIA (USA) LTD.

January 17, 1990

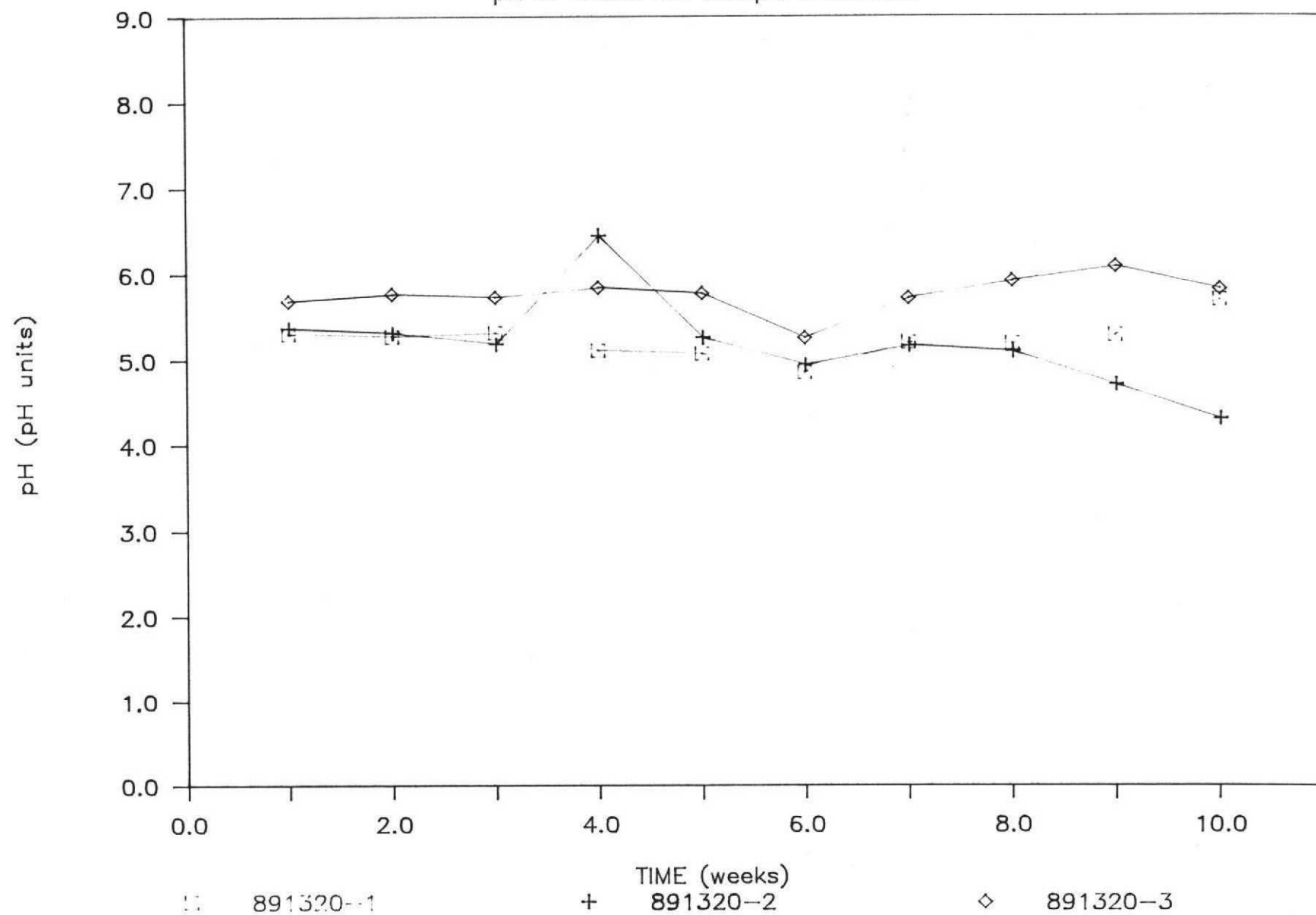
CLIENT SAMPLE I.D.: BARITE HILL/SOIL COMPOSITES(BHD 8,40-50', BHD 40,20-40' & BHD 24,30-45')

LAB SAMPLE I.D.: 891320-3 (Composite of 891224-4, 891224-6 & 891224-10)

PARAMETER	UNITS	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	WEEK 6	WEEK 7	WEEK 8	WEEK 9	WEEK 10
Leachate Quantity	mls	104	110	112	121	118	102	102	139	127	112
pH	pH Units	5.69	5.77	5.73	5.84	5.77	5.25	5.71	5.91	6.08	5.81
Conductivity	umohs/cm	34	64	48	31	30	34	25	17	19	17
Sulfate	mg/L	<10	<10	<10	12	<10	11	13	<10	<10	<10
Cumulative Sulfate	Total mg	0	0	0	1	1	3	4	4	4	4
Acidity	mg/L CaCO <sub>3</sub>	<10	<10	<10	<10	<10	<10	<10	<10	<10	<10
Cumulative Acidity	Tot. mg CaCO <sub>3</sub>	0	0	0	0	0	0	0	0	0	0
Iron (Diss.)	mg/L	0.27	<0.03	0.05	<0.03	<0.03	<0.03	<0.03	<0.03	<0.03	<0.03
Cumulative Iron	Total ug	28	28	34	34	34	34	34	34	34	34
Barium	mg/L	0.13	0.09	0.09	0.06	0.04	0.04	0.04	0.03	0.07	0.06
Cumulative Barium	Total ug	14	23	34	41	45	50	54	58	67	73
Nickel	mg/L	<0.04	<0.04	<0.04	<0.04	<0.04					

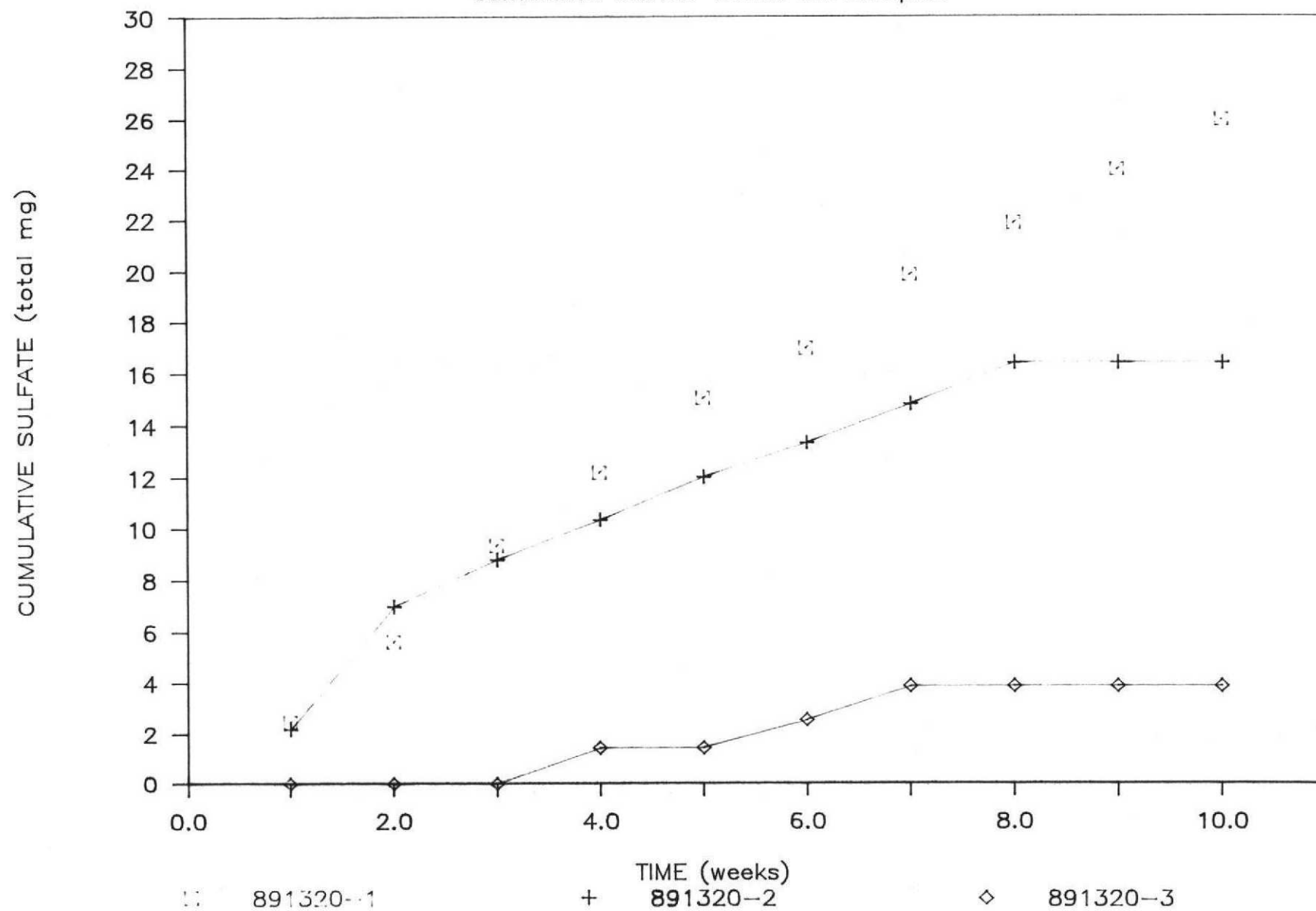
# HUMIDITY CELL TESTS

pH of Barite Hill Sample Leachates



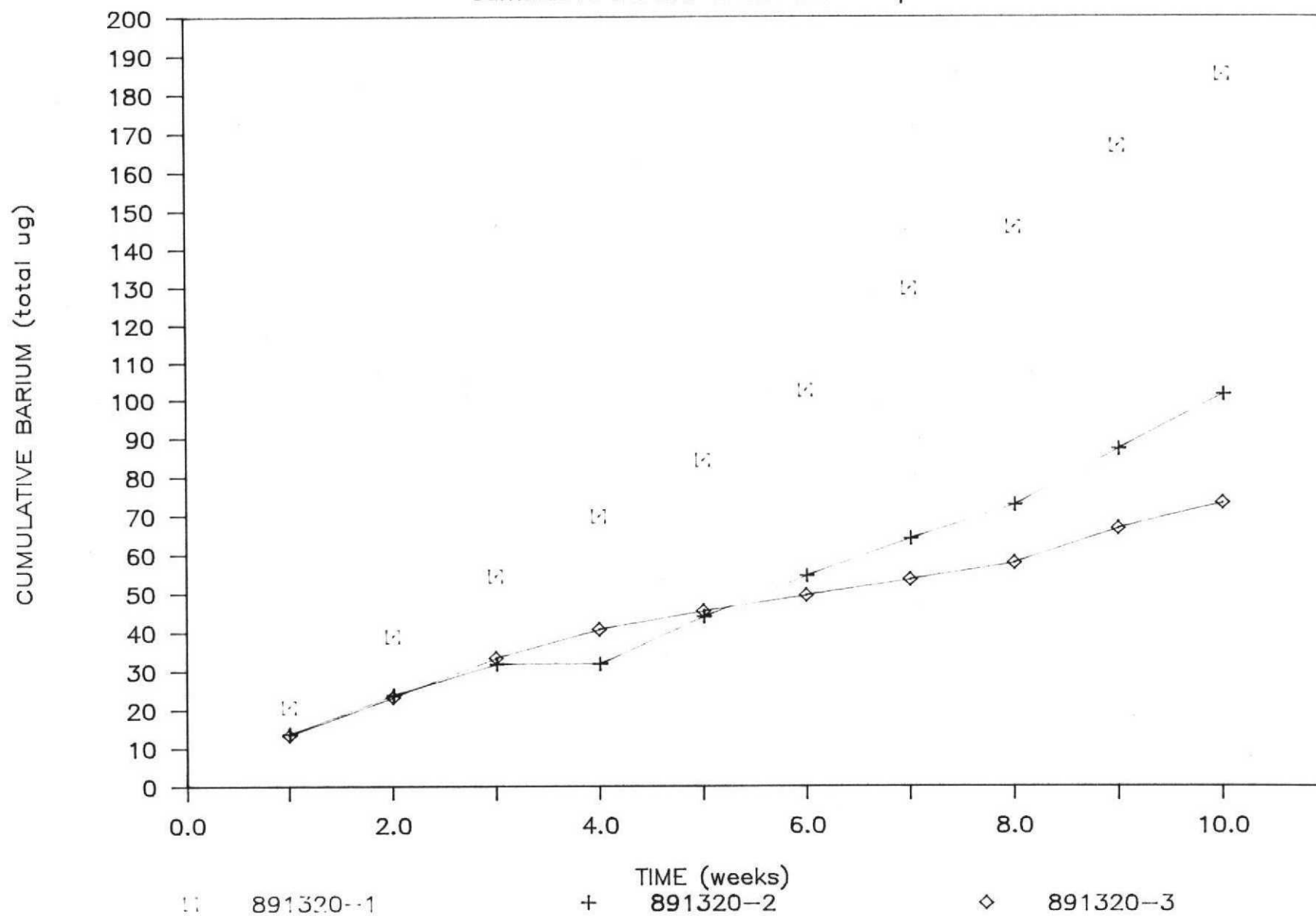
# HUMIDITY CELL TESTS

Cumulative Sulfate—Barite Hill Samples



# HUMIDITY CELL TESTS

Cumulative Barium-Barite Hill Samples





## CORE LABORATORIES

LABORATORY TESTS RESULTS  
01/08/90

JOB NUMBER: 891320 CUSTOMER: GWALIA (USA) LTD. ATTN:

SAMPLE NUMBER: 25 DATE RECEIVED: 12/18/89 TIME RECEIVED: 13:38 SAMPLE DATE: 12/18/89 SAMPLE TIME: 13:38  
PROJECT: HUMIDITY CELLS SAMPLE: HCT WEEK 8 REM: COMP. 891224(2,14)

SAMPLE NUMBER: 26 DATE RECEIVED: 12/18/89 TIME RECEIVED: 13:38 SAMPLE DATE: 12/18/89 SAMPLE TIME: 13:38  
PROJECT: HUMIDITY CELLS SAMPLE: HCT WEEK 8 REM: COMP. 891224(17,20)

SAMPLE NUMBER: 27 DATE RECEIVED: 12/18/89 TIME RECEIVED: 13:38 SAMPLE DATE: 12/18/89 SAMPLE TIME: 13:38  
PROJECT: HUMIDITY CELLS SAMPLE: HCT WEEK 8 REM: COMP. 891224(4,6,10)

TEST DESCRIPTION	SAMPLE 25	SAMPLE 26	SAMPLE 27				UNITS OF MEASURE
Acidity (Filt.)	<10	<10	<10				mg/L CaCO <sub>3</sub>
Conductivity (Filt.)	37.1	28.5	16.6				umhos/cm @25dF
pH (Filt.)	5.17	5.08	5.91				pH Units
Sulfate (Filt.)	15	11	<10				mg/L
Arsenic, Diss. (As)	<0.01	<0.01	<0.01				mg/L
Barium, Diss. (Ba)	0.12	0.06	0.03				mg/L
Cadmium, Diss. (Cd)	<0.005	<0.005	<0.005				mg/L
Chromium, Diss. (Cr)	<0.01	<0.01	<0.01				mg/L
Copper, Diss. (Cu)	0.06	0.07	<0.01				mg/L
Iron, Diss. (Fe)	<0.03	<0.03	<0.03				mg/L
Lead, Diss. (Pb)	<0.05	<0.05	<0.05				mg/L
Mercury, Diss. (Hg)	<0.0003	<0.0003	<0.0003				mg/L

APPROVED BY:

1300 S. Potomac St., Suite 130  
Aurora, CO 80012  
(303) 751-1780





# D. P. ENGINEERING, INC.

7125 W. JEFFERSON AVE., SUITE 300  
LAKEWOOD, CO 80235

TEL: 303-980-0679  
FAX: 303-985-0439

October 30, 1989  
Job No. 00701

State of South Carolina  
Land Resources Conservation Commission  
Division of Mining and Reclamation  
2221 Devine Street, Suite 222  
Columbia, SC 29205

Attn: Mr. Craig Kennedy  
Assistant Director

Re: Barite Hill Project, McCormick County  
Waste Rock Acid Production Potential

Dear Craig:

This letter is in followup with the September 27, 1989 letter which presented the initial acid/base accounting test results.

Account testing of the acid production potential (APP) of the waste rock from the Barite Hill mine pits has been completed. A total of 21 samples were tested for APP and acid neutralizing potential (ANP). The APP considered both total sulfur and sulfur reactive with peroxide. Appendix A presents a summary of the data in terms APP with respect to the percent sulfur present that reacts with peroxide and a full summary of the test data.

The samples were selected to represent the lithologies in the mine areas and the visual log of percent pyrite present within each lithology. A second review of the sample locations found that several were beneath the limits of the proposed pits and probably over emphasize the sulphide bearing lithologies at the deeper levels.

In order to estimate the overall APP, it was necessary to estimate the approximate percentages of different waste rocks in both pits (Table 1). This estimate was made using the geological models developed by BP using diamond drill data, with the relative percentages being calculated from the proportion of assays in each lithology--excluding ore. From this, the tonnage of waste of each lithology was calculated.

The net APP for each sample was taken as the difference between the APP/peroxide (tons  $\text{CaCO}_3/\text{Kt}$ ) and the acid neutralizing potential (ANP), with the latter representing the ability of the rock itself to neutralize acid. The average APP or ANP for each rock type was calculated to estimate the overall APP or ANP of a particular lithology. These results are presented in Table 2.

Mr. Craig Kennedy  
October 30, 1989  
Page 2

### Main Pit

The results indicate that quartz porphyry, mafic intrusives and baritic material have positive ANP, whereas some of the felsic tuff and metasediments are negative. In fact, geological description confirms that negative ANP only occurs in visually pyritic lithologies. From this point of view, the samples are not truly representative since the sample depth range is 30.- 135' and most samples coming from > 85', i.e., the uppermost heavily oxidized section of the deposit is very much under-represented. For this reason, it was decided to consider 1/2 of the metasediments and 3/1 of the felsic tuff to be unsampled and that the ANP of these unsampled rocks would be neutral. (This is probably a conservative approach, since evidence suggests that wholly oxidized rocks are ANP positive.)

The net effect of the waste rock seems to be ANP negative, i.e., the waste could produce acid (but only if all sulphide were oxidized), to the equivalent of 443 tons of  $\text{CaCO}_3$ . This amount has been more than taken care of in the toe of waste dumps which contain 1000 and 2500 tons limestone respectively.

### RAINSFORD PIT

The same approach has been used to quantify ANP here, although it must be noted that sample depths range from 40 to 120' and that samples:

BHD 16 (85 - 100')  
BHD 43 (105 - 120')  
BHD 19 (85 - 90')

all lie beneath the proposed pit and well within the sulphide zone.

The APP/ANP values for mafic and porphyry intrusives were taken from the Main Pit where the rocks are essentially identical.

In order to allow for the non-representative sampling, we considered that the results of the felsic tuffs only represent 1/3 of the total felsic rock waste, the remainder being shallower and more oxidized, i.e., APP neutral. On this basis, ANP is - 832 i.e., 832 tons of limestone would be required to neutralize the total acid producing potential.

### CONCLUSIONS

Both the Main and Rainsford Pits have potential to create acid in small amounts, if all of the APP/peroxide is oxidized. However, these amounts are compensated for by the presence of limestone at the toe of the dumps. Also, the infiltration of rainwater through the dump should provide some dilution/buffering to the infiltration passing through the waste rock.

Mr. Craig Kennedy  
October 30, 1989  
Page 3

Means to mitigate the potential for acid leachate were discussed in the previous letter. To further mitigate the potential for acid generation, rock with a high potential for acid generation (such as the felsic tuff in the Rainsford Pit) will be isolated within the dump areas to reduce exposure to acid generating conditions.

In the event a suppressed pH is measured in the effluent, lime will be placed in the drainage ditches and infiltration basin at the dump toe to adjust the pH to an acceptable level. Samples of the effluent will be collected to evaluate its characteristics and determine the level of treatment required to meet the NPDES standards during operation and following closure.

Humidity cell tests are ongoing on three composite samples to further evaluate the reactivity of the pyrite in the waste rock. To date, the results show that the pH may be depressed to as low as 5.3 with conductivity of the effluent being less than 60 umho/cm. The composite samples being tested as: 1) #2 and #14, 2) #17 and #20, and 3) #4, #6, and #10. The composite sample is based on equal weights of each rock sample.


Based on the information to date coupled with the proposed inclusion of limestone in the toe of the dumps, we do not believe acid generation from the waste rock will be an impact to the environment.

We hope this information is useful in allowing Gwalia (U.S.A.) Ltd. to proceed with the Barite Hill Project. Additional summary reports will be provided as subsequent humidity cell data becomes available. Should the test results show cause to revise the waste dump plans, the proposed revision will be included with the data summary.

If you should have any further questions or require additional information, please call.

Sincerely,

D.P. ENGINEERING, INC.



Don A. Poulter, P.E.  
Project Manager

DAP:ct  
enclosures

TABLE 1 - PERCENTAGE OF WASTE LITHOLOGIES

<u>Lithology</u>	<u>Main Pit</u>	<u>Rainsford Pit</u>
Metasediments	27.0% = 459,000 tons	50.0% = 116,000 tons
Felsic tuffs	47.6% = 809,200 tons	35.2% = 81,644 tons
Quartz porphyry	7.4% = 125,800 tons	13.1% = 30,392 tons
Mafic intrusive	15.7% = 266,900 tons	1.7% = 3,944 tons
Baritic Rock	<u>2.3% = 39,100 tons</u>	
Total Waste Rock	1.7 x 10 <sup>6</sup> tons	0.232 x 10 <sup>6</sup> tons

TABLE 2 - AVERAGE ACID NEUTRALIZING POTENTIAL

Average Acid Neutralizing Potential (ANP) Values for Waste Lithologies (from results, Appendix A).

<u>Lithology</u>	<u>Main Pit</u>	<u>Rainsford Pit</u>
*Metasediment	-2.6	+ 0.1
*Felsic tuff	-1.4	-35.0
Quartz porphyry	+3.4	
Mafic intrusive	+1.6	
Baritic rock	+0.9	

\*See text for estimate of proportion of such material present.

(-) = acid

(+) = basic

Results reported as tons CaCO<sub>3</sub> per Kt of waste rock.

**APPENDIX A**

(I) MAIN ZONE

SAMPLE NO.	DRILL HOLE	DEPTH	LITHOLOGY	APP/PEROX %SULFUR	APP/PEROX t CaCo3/kT	ANP t CaCo3/KT	NET ANP
1	D25	85-100'	METASEDIMENT	<.01	<0.1	4.4	+4.4
2	D27	125-140'	METASEDIMENT, PYRITIC	0.39	12.2	<0.1	-12.2
3	D3	120-135'	METASEDIMENT	<.01	<0.1	<0.1	-
4	D8	40-50'	FELSIC TUFF	0.06	1.8	4.2	+2.4
5	D27	105-120'	FELSIC TUFF	<.01	<0.1	<0.1	-
6	D40	20-40'	FELSIC TUFF, PYRITIC	0.25	7.9	1.2	-6.7
7	D25	50-65'	BARITIC, PYRITIC	0.16	4.9	6.2	+1.3
8	D27	85-95'	BARITIC	<.01	<0.1	<0.1	-
9	D30	35-45'	BARITIC	<.01	<0.1	1.4	+1.4
10	D24	30-45'	MAFIC	<.01	<0.1	1.5	+1.5
11	C16	70-85'	MAFIC	<.01	<0.1	<0.1	-
12	D7	60-70'	MAFIC	<.01	<0.1	3.3	+3.3
13	D2	110-120'	SULFIDE	<.01	<0.1	0.4	+0.4
14	D33	105-120'	SULFIDE	<.01	<0.1	1.6	+1.6
15	D39	115-135'	PORPHYRY	<.01	<0.1	3.6	+3.6
16	D48	65-80'	PORPHYRY	0.02	0.8	4.0	+3.2

(11) RAINSFORD ZONE

SAMPLE NO.	DRILL HOLE	DEPTH	LITHOLOGY	APP/PEROX %SULFUR	APP/PEROX t CaCo3/kT	ANP t CaCo3/KT	NET ANP
17	D44	40-60'	METASEDIMENT	0.02	0.8	0.7	-0.1
18	D16	85-100'	METASEDIMENT, PYRITIC	0.28	8.6	0.7	-7.9
-----							
19	D43	105-120'	FELSIC TUFF, PYRITIC	1.80	56.1	5.7	-50.4
20	D42	40-50'	FELSIC TUFF, PYRITIC	1.32	41.2	0.2	-41.0
21	D19	85-90'	FELSIC TUFF, PYRITIC	1.46	45.7	5.0	-40.7



**A N A L Y T I C A L     R E P O R T**

**891224**

**FOR**

**GWALIA (USA) LTD.**

**P.O. BOX 1510  
McCORMICK, SC 29835**

**10/11/89**

**LABORATORY TESTS RESULTS**  
10/11/89

JOB NUMBER: 891224		CUSTOMER: GWALIA (USA) LTD.			ATTN:	
SAMPLE NUMBER: 1	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00		
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 25 85-100'			REM:		
SAMPLE NUMBER: 2	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00		
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 27 125-140'			REM:		
SAMPLE NUMBER: 3	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00		
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 3 120-135'			REM:		
SAMPLE NUMBER: 4	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00		
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 8 40-50'			REM:		
SAMPLE NUMBER: 5	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00		
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 27 105-120'			REM:		
SAMPLE NUMBER: 6	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00		
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 40 20-40'			REM:		

TEST DESCRIPTION	SAMPLE 1	SAMPLE 2	SAMPLE 3	SAMPLE 4	SAMPLE 5	SAMPLE 6	UNITS OF MEASURE
Total Sulfur (%)	0.46	0.80	0.05	0.38	0.02	0.72	%
APP/Peroxide (% Sulfur)	<0.01	0.39	<0.01	0.06	<0.01	0.25	%
Total Sulfur (Tons CaCO <sub>3</sub> /Kt)	14.4	25.0	1.6	11.9	0.6	22.5	Tons CaCO <sub>3</sub> /Kt
APP/Peroxide (Tons CaCO <sub>3</sub> /Kt)	<0.1	12.2	<0.1	1.8	<0.1	7.9	Tons CaCO <sub>3</sub> /Kt
Acid Neutralizing Potential <i>ANP</i>	4.4	<0.1	<0.1	4.2	<0.1	1.2	Tons CaCO <sub>3</sub> /Kt

APPROVED BY:

*David McWhorter*

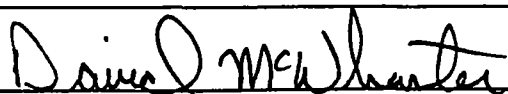
1300 S. Potomac St., Suite 130  
Denver, CO 80012  
(303) 751-1780

**LABORATORY TESTS RESULTS**  
10/11/89

JOB NUMBER: 891224		CUSTOMER: GWALIA (USA) LTD.		ATTN:	
SAMPLE NUMBER: 7	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 10/04/89	SAMPLE TIME: 00:00	
PROJECT: BARITE HILL PROJECT		SAMPLE: BHD 25 50-65'		REM:	
SAMPLE NUMBER: 8	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00	
PROJECT: BARITE HILL PROJECT		SAMPLE: BHD 27 85-95'		REM:	
SAMPLE NUMBER: 9	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00	
PROJECT: BARITE HILL PROJECT		SAMPLE: BHD 30 35-45'		REM:	
SAMPLE NUMBER: 10	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00	
PROJECT: BARITE HILL PROJECT		SAMPLE: BHD 24 30-45'		REM:	
SAMPLE NUMBER: 11	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00	
PROJECT: BARITE HILL PROJECT		SAMPLE: C16 70-85'		REM:	
SAMPLE NUMBER: 12	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00	
PROJECT: BARITE HILL PROJECT		SAMPLE: BHD 7 60-70'		REM:	

TEST DESCRIPTION	SAMPLE 7	SAMPLE 8	SAMPLE 9	SAMPLE 10	SAMPLE 11	SAMPLE 12	UNITS OF MEASURE
Total Sulfur (%)	2.39	1.07	4.07	0.03	0.03	0.01	%
APP/Peroxide (% Sulfur)	0.16	<0.01	<0.01	<0.01	<0.01	<0.01	%
Total Sulfur (Tons CaCO <sub>3</sub> /Kt)	74.7	33.4	127	0.9	0.9	0.3	Tons CaCO <sub>3</sub> /Kt
APP/Peroxide (Tons CaCO <sub>3</sub> /Kt)	4.9	<0.1	<0.1	<0.1	<0.1	<0.1	Tons CaCO <sub>3</sub> /Kt
Acid Neutralizing Potential	6.2	<0.1	1.4	1.5	<0.1	3.3	Tons CaCO <sub>3</sub> /Kt

APPROVED BY:



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Denver, CO 80012  
(303) 751-1780

## LABORATORY TESTS RESULTS 10/11/89

JOB NUMBER: 891224	CUSTOMER: GWALIA (USA) LTD.	ATTN:		
SAMPLE NUMBER: 13	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 2 110-120'	REM:		
SAMPLE NUMBER: 14	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 33 105-120'	REM:		
SAMPLE NUMBER: 15	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 39 115-135'	REM:		
SAMPLE NUMBER: 16	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 48 65-80'	REM:		
SAMPLE NUMBER: 17	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 44 40-60'	REM:		
SAMPLE NUMBER: 18	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00
PROJECT: BARITE HILL PROJECT	SAMPLE: BHD 16 85-100'	REM:		

TEST DESCRIPTION	SAMPLE 13	SAMPLE 14	SAMPLE 15	SAMPLE 16	SAMPLE 17	SAMPLE 18	UNITS OF MEASURE
Total Sulfur (%)	2.64	1.40	<0.01	0.18	0.23	1.52	%
APP/Peroxide (% Sulfur)	<0.01	<0.01	<0.01	0.02	0.02	0.28	%
Total Sulfur (Tons CaCO <sub>3</sub> /Kt)	82.5	43.8	<0.3	5.6	7.2	47.5	Tons CaCO <sub>3</sub> /Kt
APP/Peroxide (Tons CaCO <sub>3</sub> /Kt)	<0.1	<0.1	<0.1	0.8	0.8	8.6	Tons CaCO <sub>3</sub> /Kt
Acid Neutralizing Potential	0.4	1.6	3.6	4.0	0.7	0.7	Tons CaCO <sub>3</sub> /Kt

APPROVED BY:



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Denver, CO 80012  
(303) 751-1780

**LABORATORY TESTS RESULTS**  
10/11/89

JOB NUMBER: 891224		CUSTOMER: GWALIA (USA) LTD.		ATTN:	
SAMPLE NUMBER: 19	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00	
PROJECT: BARITE HILL PROJECT		SAMPLE: BHD 43 105-120'		REM:	
SAMPLE NUMBER: 20	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00	
PROJECT: BARITE HILL PROJECT		SAMPLE: BHD 42 40-50'		REM:	
SAMPLE NUMBER: 21	DATE RECEIVED: 09/18/89	TIME RECEIVED: 16:30	SAMPLE DATE: 09/14/89	SAMPLE TIME: 00:00	
PROJECT: BARITE HILL PROJECT		SAMPLE: BHD 19 85-90'		REM:	

TEST DESCRIPTION	SAMPLE 19	SAMPLE 20	SAMPLE 21				UNITS OF MEASURE
Total Sulfur (%)	4.63	2.94	8.27				%
APP/Peroxide (% Sulfur)	1.80	1.32	1.46				%
Total Sulfur (Tons CaCO3/Kt)	145	91.9	258				Tons CaCO3/Kt
APP/Peroxide (Tons CaCO3/Kt)	56.1	41.2	45.7				Tons CaCO3/Kt
Acid Neutralizing Potential	5.7	0.2	5.0				Tons CaCO3/Kt

APPROVED BY: *David McWhorter*

1300 S. Potomac St., Suite 130  
Denver, CO 80012  
(303) 751-1780

## SAMPLES SUBMITTED FOR ACID GENERATION TESTS

## AVG LITHOLOGY

## TYPE 1 - METASEDIMENTS

BHD 25 85-100 (I)

BHD 27 125-140 (O)

BHD 3 120-135 (O)

## TYPE 2 - FELSIC TUFF

BHD 08 40-50 (I)

BHD 40 20-40 (I)

BHD 27 105-120 (O)

## TYPE 7 - BARITE RICH

BHD 25 50-65 (I)

BHD 27 85-95 (I)

BHD 30 35-45 (I)

## TYPE 4 - MAFIC DIKE

BHD 24 30-45 (I)

C16 70-85 (I)

BHD 07 60-70 (I)

## TYPE 5 - SULFIDE

BHD 33 105-120 (I)

BHD 2 110-120 (I)

## TYPE 3 - QTZ. PORPHYRY

BHD 39 115-135 (O)

BHD 48 65-80 (I)

-----  
RNS LITHOLOGY

## METASEDIMENTS

BHD 44 40-60 (I)

BHD 16 85-100 (O)

## FELSIC TUFF

BHD 43 105-120 (O)

BHD 42 40-50 (I)

BHD 19 85-90 (O)

I = In Pit Limits

O = Out of Pit Limits

**CORE LABORATORIES**

*Faxed  
by Don  
2/8/90*

**ANALYTICAL REPORT****900031****FOR****GWALIA (USA) LTD.****P.O. BOX 1510  
MCCORMICK, SC 29835****01/26/90**



## CORE LABORATORIES

JOB NUMBER 900031

## ANALYTICAL REPORT

GWALIA (U.S.A.) LTD.

01/26/90

Sample Preparation

1. The limestone rocks were crushed to approximately 1/2" with a jaw crusher. <sup>34 in<sup>3</sup></sup> <sub>0.02 Ft<sup>3</sup> - 2.6 lbs</sub>
2. A representative 1206 gram sample of the limestone was placed in a Buchner funnel containing Whatman #1 filter paper.
3. Twenty humidity cell leachate samples from Core Laboratories Job Number 891320 were composited to produce sample 900031-2. Individual HCT leachate sample I.D.'s and sample aliquots used for the composite are listed below.

HCT Leachates	Composite 891244 (2.14)	mls Sample	Composite 891244 (17.20)	mls Sample
Week 1	891320-4	20.7	891320-5	20.9
Week 2	891320-7	20.7	891320-8	20.6
Week 3	891320-10	21.0	891320-11	20.9
Week 4	891320-13	21.0	891320-14	21.1
Week 5	891320-16	21.1	891320-17	21.2
Week 6	891320-19	21.6	891320-20	20.9
Week 7	891320-22	21.0	891320-23	21.1
Week 8	891320-25	20.9	891320-26	21.3
Week 9	891320-28	20.9	891320-29	21.0
Week 10	891320-31	21.2	891320-32	21.3

900031-2 HCT Composite, Total mls = 1404

1379 1300 (4)

4. A 25ml portion of this final composite (sample 900031-2) was taken for analysis of pH, TDS and dissolved copper.
5. The remaining composite sample was vacuum filtered through the limestone. A 25ml portion of this limestone filtrate (900031-3, Pass #1) was taken for analysis of pH, TDS and dissolved copper.
6. The procedure above was repeated four more times, producing samples 900031-3 through 900031-7 (Pass #2 through Pass #5).

Don Reported Porosity of Limestone @ 0.30  
Waste Rock @ 0.30



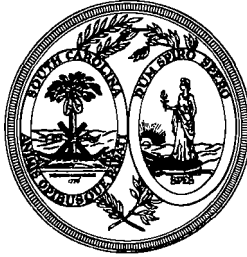


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441 Griffin Drive  
Piedmont, S. C. 29673

JOHN W. PARRIS  
Executive Director

**LAND RESOURCES  
CONSERVATION COMMISSION**

February 8, 1990

Mr. Don Poulter  
DP Engineering, Inc.  
7125 W. Jefferson Ave.  
Suite 300  
Lakewood, CO 80235

Dear Don:

If possible, please Fax the following information to me this morning.

1. A more complete description of the treatability study. How much limestone was used and state the volume of effluent. Porosity of the limestone used and size column for the test.
2. Projection of rainwater infiltration on the reclaimed waste rock piles and approximate average porosity of the waste rock.
3. Any other information useful to help project the test results into the real world.

I apologize for this quick request, but I was hopeful that I can look at this information before today's conference call at 1:00 pm EST. I just found out about the call yesterday afternoon.

Sincerely,

A handwritten signature in cursive script that reads 'Craig Kennedy'.

Craig Kennedy  
Assistant Director  
Mining and Reclamation Div.



## "Marginal" Samples

### AG 420-7: (0.5% S)

This sample would probably classify as "non-reactive", if it were not for the iron values. For most of the test period there is no ( $< 10$  mg/L) sulphate production and no ( $< 10$  mg/L) acidity production. The pH value effectively increases through the test from an initial pH 4.32 to a final value of pH 4.89.

The sample does appear to leach erratic values of iron. For example, week #6 0.03 mg/L, week #10 0.77 mg/L. One explanation, apart from low level acid generation, could be that the sample contains significant leachable iron levels inherently and that the iron is in only a partially soluble form. Hence, the iron will only leach slowly from the sample, i.e., continuously, but variably, over the test period.

The balance of the data suggests that the sulphides in the sample are relatively non-reactive.

SAMPLE SAG420-007

THINLY LAMINATED SILTSTONE, INTENSE QUARTZ-SERICITE-PYRITE  
ALTERATION WITHIN S2 PLANE. INTENSE MATRIX SILICIFICATION.  
MoS<sub>2</sub> ASSOCIATED WITH QUARTZ VEINING. FINE GRAIN DISSEMINATED  
PYRITE 1-2%. LOCATED AT HANGING WALL CONTACT ON EAST END OF  
THE SOUTH PIT ON THE 420 BENCH.